

# COD Process

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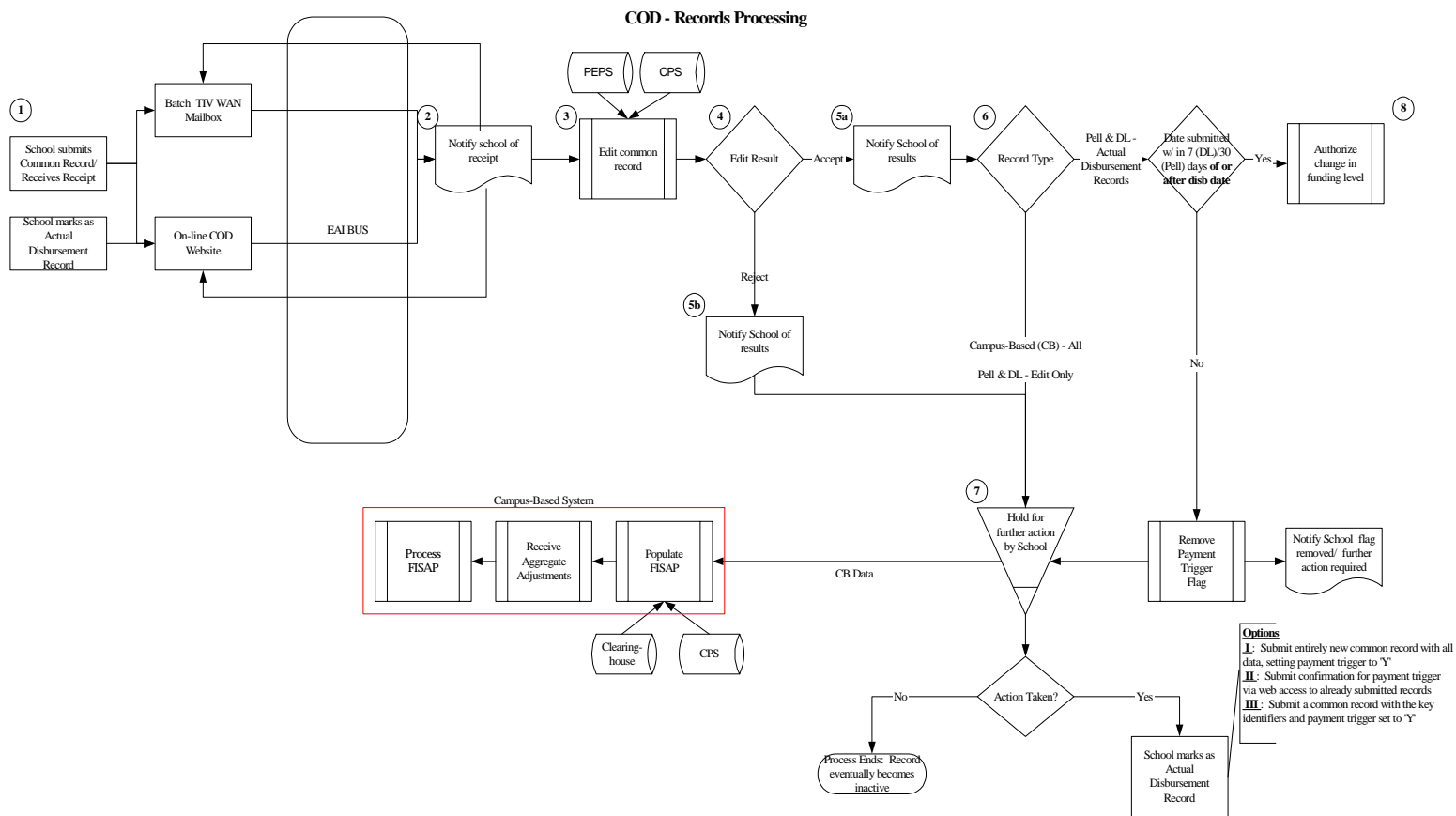
## Introduction

The COD Process is comprised of many steps:

1. Common Record Submission
2. Common Record Receipt
3. Common Record Processing
4. Common Record Editing
5. Response Notification
6. Determine Record Type
7. Hold Record Processing
8. Actual Disbursement Process

Each of these steps is explained below in the walkthrough of the Common Record processing flow. Please refer to the COD Records Processing Flowchart, on the following page.

Note: Please note that this flow walks a record through the process. It does not show the entire cycle for a school. Therefore, there are items that can take place prior to the submission of records (i.e. funds draw down) that are not explained in this section of the document.



## **1. Common Record Submission**

The process begins when a school submits a Common Record. For the 2002-2003 Award Year, the Common Record is submitted by Full Participants in one of two ways:

- Batch
- On-line

### ***Batch Submission***

All records sent in batch mode are submitted to the school's Student Aid Internet Gateway (SAIG) mailbox. The *Enterprise Application Integration Bus (EAI Bus)* performs periodic sweeps of the mailboxes and transmits the Common Record data to the COD System.

### ***On-Line Submission***

A Full Participant can enter Common Record data on-line via a web front end. Common Records submitted via on-line are sent directly to the COD System.

## **2. Common Record Receipt**

After the COD System receives the Common Record, the system generates a receipt. The receipt is transmitted from the COD System to the sending entity in the same manner the Common Record was submitted.

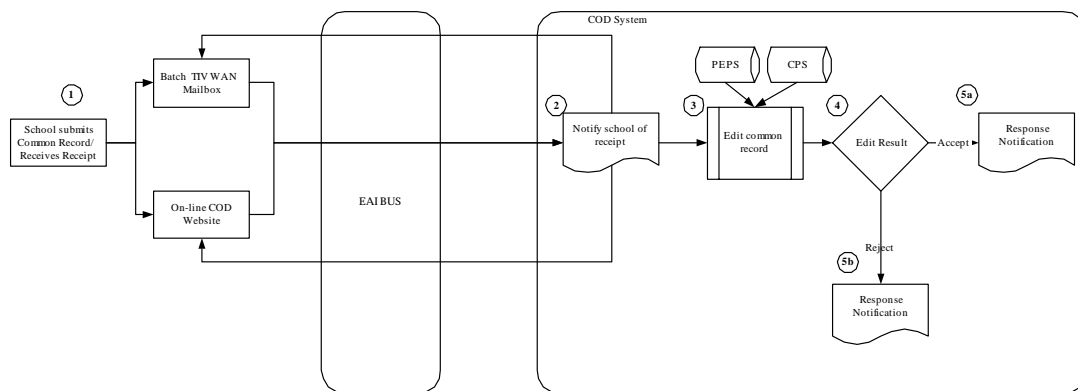
### ***Batch Receipt***

For records received via batch, the receipt is transmitted to the EAI Bus. The EAI Bus routes the receipt to the appropriate entity. In the event a batch is submitted via the EAI Bus in several messages, the receipt is created after all batch/message sequence numbers are received.

### ***On-line Receipt***

Receipts for records submitted via the COD web site are transmitted to the web screen. Note: Receipts for Common Records submitted via the web site are not sent to schools via their SAIG mailboxes.

**COD - Record Submission/  
Receipt/Response Process**



### **3. Common Record Processing**

After a receipt is transmitted, the COD System classifies the record as a New, General Update, Release or Duplicate. The COD System checks the identifiers, (current Social Security Number, current Date of Birth and the current Last Name), to determine if the person is already established on the COD System. This is the first check in record classification and determines how the record is processed.

#### ***New Record***

A New Record establishes a new person, sub-program, award or disbursement on the COD System. There are three types of New Records:

- **New person** – Identifiers (current SSN, current DOB and the current Last Name) do not match any previously submitted to COD System.
- **New award** – If the identifiers match a person already established on the COD System, the system checks (Award Type, Award Year, Attended Entity ID, Reporting Entity ID, and Award ID [for Direct Loans]) to

determine if the award is already on file. If not, then the record is considered a New Award.

- **New disbursement** – If the person and award already exist on the COD System, the system checks the disbursement number submitted for the award. If it is not already on file, the system logs the disbursement as a new disbursement. If the record is not a New Record, the system identifies what type of update is required.
  - There are two types of new disbursement records: Edit Only and Actual Disbursement.
    - For Edit Only Records, disbursements are not considered Actual Disbursements; therefore, they do not substantiate drawdowns and are not posted to a student's/borrower's award (loan/grant). For Phase-in participants, this is the current origination record.
    - Actual Disbursement Records contain a payment trigger flag of "Y". The payment trigger is a field on the Common Record that signals the COD System to post the disbursement to a specific award (loan/grant). It either releases funds available to a school via drawdown or FedWire/ACH, or substantiates money already made available to the school. For Phase-in participants, this is the current actual disbursement record.

### ***General Update Record***

A General Update Record performs a change to a non-monetary data element (not including the payment trigger from "N" to "Y") that was previously established by a New Record. A General Update Record also is used to change disbursement amounts and dates that occur prior to substantiating drawdowns and posting to an award (loan/grant). Elements can be changed via the Web or by resubmission of a Common Record.

### ***Release Records***

The Common Record contains a field called the Payment Trigger Flag. When this flag is marked with a "Y", the COD System posts the disbursement to a specific award (loan/grant). It either releases funds available to a school via drawdown or FedWire/ACH, or substantiates money already made available to the school. Release Records are records that are submitted to the COD System with a payment trigger of 'Y' for a disbursement record previously submitted as an Edit Only Record. Release Records cannot be sent more than 30 days before disbursement for Pell Grants and seven days before disbursement for Direct Loans. Note: Release Records may also include adjustments to previously submitted monetary data elements. A Release Record contains monetary disbursement data that increases or decreases an Actual Disbursement Record that has been applied to an award (loan/grant).

### ***Duplicate Records***

A record is a duplicate if it has previously been received or requests maintenance to a data element whereby the new value is equal to the value already established on the COD System.

**At the person level:** If the person for which the Common Record is sent is already on file with the COD System, and all reported data in the person block is the same as already exists on the COD Database and no award or disbursement information is in the record, the record is a duplicate.

**At the award level:** If the person for which the Common Record is sent is already on file with the COD System, the award is already on file and all reported data in the award information block is the same as what already exists on the database and no disbursement information is in the record, the record is a duplicate.

**At the disbursement level:** If the person, award and disbursement are already on file and all the reported information in the disbursement block is the same as already exists on the database, the record is a duplicate.

If the record is a duplicate for every data element down to the disbursement level, it is accepted and the school is notified via a response record that it is a duplicate record. If the record is a duplicate at the person or award level, the COD System accepts the data.

## **4. Common Record Editing**

Once the Common Record is received, the COD System performs a series of valid format and content edits to determine if the file is suitable for further processing.

There are three different types of edits:

- **Correction** – For Pell Grant data, the system automatically corrects the data and sends a response to the entity that submitted the record indicating that a correction took place, the element corrected, the original value, and the corrected value. Note: the COD System does not correct Direct Loan data, in keeping with current DLOS processing.
- **Warning** – The system sends a response to the entity that submitted the record indicating a warning, the warning type and the relevant element. The record continues processing without action from the school.
- **Reject** – The system sends a response to the entity that submitted the record indicating the reject, the reject reason(s) and the relevant

element(s). The record requires action from the school to continue processing.

Where possible, COD uses information from PEPS and CPS as a basis for these edits. COD receives the Abbreviated Applicant File from CPS on a daily basis. This file is used to:

- Confirm a valid ISIR is on file (if applicable) and,
- Pull student level information required for Common Record processing.

Edits are performed on the person, award and disbursement levels of the Common Record data.. Data that pass edits are accepted while data that do not pass edits are rejected. The COD System stores rejected data and associated reject reasons. Rejected data are held for corrective action to be taken by the school. Data can be corrected via Common Record re-submission or via the COD website. The system returns a Response Record notifying the school of the edit results. If the reject is due to a system processing error, the school is notified of the reason for the rejection and is notified when it is corrected.

Records that do not pass edits are also housed in the holding area (4), where they can be accessed via the Web for on-line changes and real-time re-submission. Schools can also resolve rejects by re-submitting a Common Record. The Common Record can be re-sent in its entirety or sent just with identifiers and those data elements that have changed.

## 5. Response Notification

After the COD System edits the Common Record, the system returns a Response Record. A Response Record is a Common Record that details exactly what data elements were rejected. The Response Record includes any associated error messages. If the Common Record was accepted, the Response Record indicates this. Response Notifications are received by the transmitting entity in the same format the record was sent.

## 6. Determine Record Type

### ***Campus-Based Records***

All campus-based records are housed in a holding area (7) where they are accessible for changes, both via the web for on-line changes and by re-submitting a Common Record. The Common Record can be re-sent in its entirety or sent just with identifiers and those data elements that have changed. This also relates to additional records submitted for pass-through to NSLDS.

### ***Pell Grant or Direct Loan Records***

For Pell Grants and Direct Loans, schools have the option of sending records in to be run through edits only (i.e. treated as an “origination record”) or sending them as a request for/ reporting of funds (i.e. “origination” and “disbursement” in one record).

### **Pell Grant or Direct Loan “Edit Only”**

For those records sent as “edit only” the record is housed in the holding area (7), where they are accessible for changes, both via the web for on-line changes and by re-submitting a Common Record. The Common Record can be re-sent in its entirety or sent just with identifiers and those data elements that have changed. The records remain in this holding area until they are “released” by the school or become inactive.

### **Pell Grant or Direct Loan Actual Disbursements**

For those records sent as Actual Disbursements, the system confirms that these records are submitted within the required timeframe (ie. seven days of or within the disbursement date for Direct Loans and 30 days of or within the disbursement date for Pell Grants).

If a record is an Actual Disbursement and is submitted more than seven days for a Direct Loan or 30 days for a Pell Grant prior to the Disbursement Date, the COD System removes the payment trigger. The school is notified of its requirement to take confirmation action closer to disbursement date, and the record is placed in the holding area (7 – please refer to description below regarding release of records in holding area)

If a record is an Actual Disbursement and is submitted within seven days for a Direct Loan or 30 days for a Pell Grant or after the Disbursement Date, the record moves on to Authorize Change in Funding Level (8).

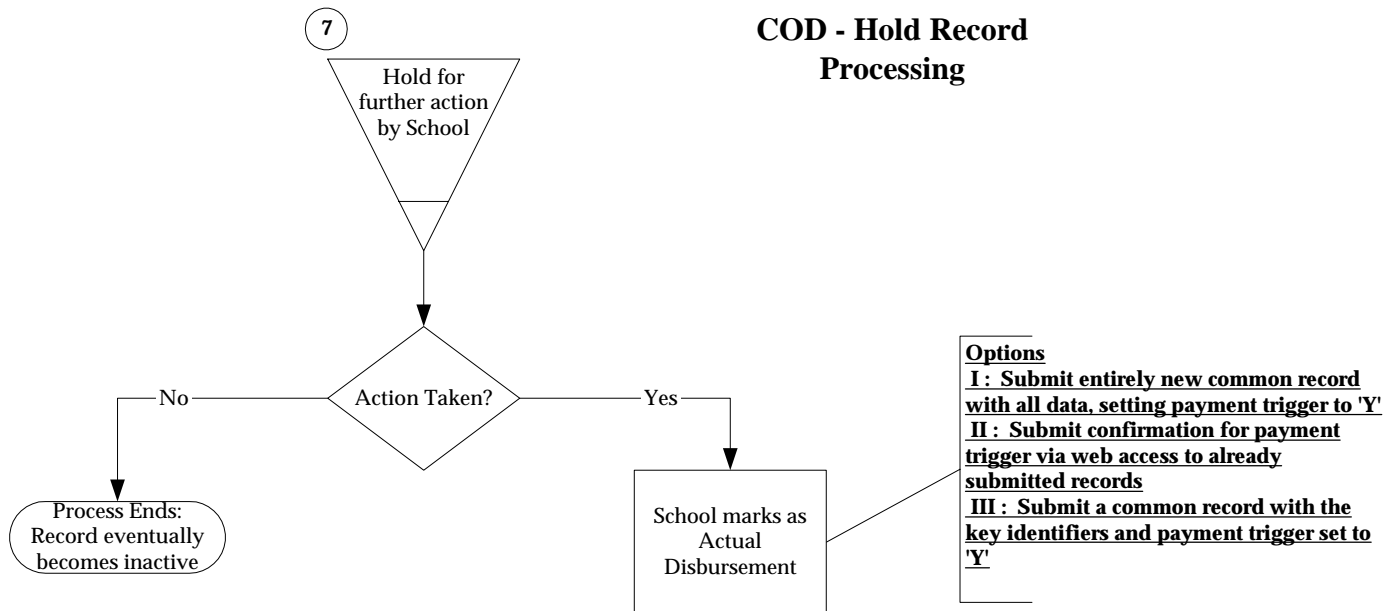
## **7. Hold Record Processing**

Please refer to the diagram, COD – Hold Record Processing, below.

As indicted above, Pell Grant and Direct Loan records sent as Edit Only remain in the holding area (7) until the school takes some action. There are many options a school has to “release” records from the holding area for which they want to report a disbursement. These options are :

- Submit entirely new common record with all data, setting payment trigger to 'Y'
- Submit confirmation for payment trigger via web access to already submitted records
- Submit a common record with the key identifiers and payment trigger set to 'Y'

After the school takes action, the COD Process begins again for those records in the holding area. These records may include the following: records sent as “edit only,” rejected records, or records transmitted earlier than seven days before disbursement for Direct Loans or earlier than 30 days before disbursement for Pell Grants, as well as changes submitted to previously transmitted records. Edits are applied to new or changed information.



## **8. Actual Disbursement Process**

If a record is an Actual Disbursement Record and is submitted within the required timeframe of or after the disbursement date, the record moves on to either release funds available to a school via drawdown or FedWire/ACH or substantiates money already made available to the school. The specified time period for Direct Loans is seven days, for Pell Grants, it is 30 days.

Note: Cash management and drawdown rules will be addressed in the Implementation Process Guide, available December 2001.

## **Campus-Based Records Processing**

The reporting of campus-based disbursements on the student-level through COD is **OPTIONAL** for all schools. For those schools who choose to report campus-based disbursements, they can report anytime throughout the year.